

## **Different Types of Commercial Surety Bonds**

### **-:7 Most Popular Commercial Bonds:-**

#### **Agricultural & Citrus Surety Bonds**

- Individuals who buy and resell agricultural products are required to post a Surety Bond and be licensed with the Department of Agriculture.

#### **Auto Dealer Surety Bonds**

- People who want to get their vehicle dealer license typically have to provide an Auto Dealer Bond as a financial guarantee.

#### **Contractor's License Surety Bonds**

- A Contractor License Bond guarantees the contractor will remain in compliance with all applicable laws pertaining to their profession.

#### **Fuel Tax Surety Bonds**

- A Gasoline Tax Bond guarantees government entities the principal (Supplier of Fuel) will pay any and all taxes on fuel sold.

#### **License & Permit Surety Bonds**

- This bond guarantees the principal will engage in business in a manner compliant with a set of rules and regulations.

#### **Mortgage Broker/Banker/Lender Surety Bonds**

- This bond ensures the consumer is protected against the wrongful practices or fraud on the part of a lender or broker.

#### **Alcoholic Beverage & Tobacco Tax Surety Bonds**

- This Bond guarantees the principal will pay all taxes related to the sale of alcoholic beverages.

#### **How Much Does A Surety Bond Cost?**

- It should be understood that certain types of surety bonds are more expensive than others.
- For Example –

- The cost of a notary public bond is around \$100.
  - The cost of an automobile dealer bond is anywhere from \$1,000-\$7,500.
- There are three main criteria used in calculating surety bond cost:
  - The type of bond
  - The amount of the bond and duration
  - The risk level of the applicant

Sources:

<https://www.suretegrity.com/>

<http://blog.suretysolutionsllc.com/suretynews/how-much-does-a-surety-bond-cost>

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# DIFFERENT TYPES OF COMMERCIAL SURETY BONDS

## 7 MOST POPULAR COMMERCIAL BONDS

### 1 Agricultural & Citrus Surety Bonds

Individuals who buy and resell agricultural products are required to post a Surety Bond and be licensed with the Department of Agriculture.



### 2 Auto Dealer Surety Bonds

People who want to get their vehicle dealer license typically have to provide an Auto Dealer Bond as a financial guarantee.



### 3 Contractor's License Surety Bonds

A Contractor License Bond guarantees the contractor will remain in compliance with all applicable laws pertaining to their profession.



### 4 Fuel Tax Surety Bonds

A Gasoline Tax Bond guarantees government entities the principal (Supplier of Fuel) will pay any and all taxes on fuel sold.



## 5 LICENSE & PERMIT SURETY BONDS



This bond guarantees the principal will **engage in business** in a manner compliant with a set of rules and regulations.

### 6 MORTGAGE BROKER/BANKER/LENDER SURETY BONDS

This bond ensures the consumer is protected against the wrongful practices or fraud on the part of a lender or broker.



### 7 ALCOHOLIC BEVERAGE & TOBACCO TAX SURETY BONDS

This Bond guarantees the principal will pay all taxes related to the sale of alcoholic beverages.



## HOW MUCH DOES A SURETY BOND COST?



● IT SHOULD BE UNDERSTOOD that certain types of surety bonds are more expensive than others.

### ● FOR EXAMPLE –

- The cost of a notary public bond is around \$100.
- The cost of an automobile dealer bond is anywhere from \$1,000-\$7,500.



### ● THERE ARE THREE MAIN CRITERIA USED IN CALCULATING SURETY BOND COST:

- The type of bond
- The amount of the bond and duration
- The risk level of the applicant



### SOURCES:

<https://www.suretegrity.com/>  
<http://blog.surety-solutions.com/suretynews/how-much-does-a-surety-bond-cost>

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